17 August 2010

Totally Plc
(“Totally” or “the Company”)

Half-yearly results for the six month period ended 30 June 2010

Totally Plc (AIM: TLY), the AIM quoted publisher and digital marketing services provider announces its half-yearly results for the six month period ended 30 June 2010.

Summary

- Group turnover of £0.89 million (2009 as restated: £0.90 million)
- EBITDA of £84,000 (2009 as restated: profit £116,000)
- Operating profit of £73,000 (2009 as restated: profit £98,000)
- Profit Before Tax of £63,000 (2009 as restated: profit £88,000)
- Upgraded proprietary content management system ‘Pelorous’ released

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Chief Executive Officer

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Chairman's Statement

I am pleased to present the results for the six months ended 30 June 2010. During the period the Group made an operating profit of £73,000 (2009 as restated: £98,000) and a profit before taxation of £63,000 (2009 as restated: £88,000) on turnover of £0.89 million (2009 as restated: £0.90 million).

Although there has been a slight reduction in turnover in comparison with the same period last year, the Company has performed in accordance with management's expectations in the first half of 2010. The board is pleased that the Company has managed to maintain its financial performance, particularly with the backdrop of the recent economic uncertainty. Such uncertainty has adversely affected many industrial sectors, so for a niche company like Totally to remain both profitable and to have accurately predicted its own performance is gratifying.

The Company has made limited investments into new products, services and staff during the first half of 2010 and intends to maintain that level of investment in the second half of the financial year. The board is confident that it can continue to maintain the restricted level of investment without affecting profits for the full financial year.

Dr Michael Sinclair
Non-Executive Chairman

17 August 2010

Chief Executive's Operational Review

In the last quarter of 2008 the board introduced a series of operational efficiencies designed to reduce overall group costs in preparation for an expected reduction in group revenues as a consequence of the turmoil in the wider economy. Like so many other companies, the board had expected a drastic reduction in revenues during 2009, looking forward to a slight improvement in 2010. Whilst 2009 revenues increased the current speculation regarding a further worsening of the economy during the second half of the year and into 2011 has resulted in the board maintaining a tight control on its spending and investment. The board does not believe, however, that the continuation of the Company's restricted spending will have any effect on the business and it feels that the efficiencies instigated in 2008 will lead to a greater visibility of revenue generation in the future.

Software Development and Digital Marketing Division (Totally Communications)

Revenues of £350,000 (2009: £357,000) were achieved during the period under review. New software development contracts were secured with the Health Foundation and Solar Century.

The Health Foundation is an independent charity working to achieve high quality for everyone. They aim to achieve this by creating space for people, teams, organizations and systems to make lasting improvements to health services.

Solar Century is a leading solar energy company specialising in the installation of solar panels and photovoltaic systems. It works with Commercial Developers, Housing Developers and Public Sector organisations.

Despite the continued economic uncertainty in the wider economy, committed divisional revenues for the remainder of 2010 suggest that an improvement on like for sales on 2009 will be achieved.

Publishing division (Jewish News and Media Group)

Revenues of £544,000 (2009 as restated: £546,000) were achieved during the period under review.

Whilst the regional press advertising market remains volatile current committed divisional revenues for the remainder of 2010 indicate that a stable year on year performance for 2010 will be achieved.

The management team are investigating new product launches for the 2nd half of 2010 and into 2011 including an online property portal and a new exhibition to sit alongside the annual Wedding show which was launched in 2009.

The revenue impact of these initiatives is expected to occur in 2011.

Daniel Assor
Chief Executive Officer

16 August 2010

Consolidated Income Statement
For the six months ended 30 June 2010

	Six months ended 30 June 2010 (unaudited) £000	As Restated Six months ended 30 June 2009 (unaudited) £000	Year ended 31 December 2009 (audited) £000
Group turnover	894	903	1,758
Cost of sales	(234)	(184)	(381)
Gross profit	660	719	1,377
Administrative expenses	(576)	(603)	(1,204)
Profit before interest, tax, depreciation and amortisation	84	116	173
Depreciation	(1)	(7)	(5)
Amortisation	(10)	(11)	(24)
Operating profit	73	98	144
Finance costs	(10)	(10)	(19)
Profit before taxation	63	88	125
Taxation	-	-	16
Profit for the year attributable to equity shareholders	63	88	141
Earnings per share (pence)			
Basic	0.001p	0.001p	0.002p
Diluted	0.0005p	0.0005p	0.001p

Consolidated Statement of Changes in Equity
For the six months ended 30 June 2010

Period to 30 June 2010	**Share Capital £000**	**Share premium account £000**	**Other reserve £000**	**Profit and loss account £000**	**Equity shareholders funds £000**
At 1 January 2010	1,124	3,353	-	(4,909)	(432)
Credit on issue of share options	-	-	-	3	3
Profit for the period	-	-	-	63	63
At 30 June 2010	1,124	3,353	-	(4,843)	(366)

Balance sheet
As at 30 June 2010

	As at 30 June 2010 (unaudited)	As at 30 June 2009 (unaudited)	As at 31 December 2009 (audited)
Assets			
Non-current assets			
Intangible fixed assets	52	35	60
Tangible fixed assets	3	9	4
	55	44	64
Current assets			
Trade and other receivables	325	241	266
Cash and cash equivalents	25	32	-
	350	273	266
Total assets	405	317	330
Current liabilities			
Trade and other payables	(278)	(222)	(321)
Borrowings – financial liabilities	(493)	(583)	(441)
	(771)	(805)	(762)
Total liabilities	(771)	(805)	(762)
Net liabilities	(366)	(488)	(432)
Shareholders' equity			
Called up share capital	1,124	1,124	1,124
Share premium account	3,353	3,353	3,353
Translation reserve	-	-	-
Retained earnings	(4,843)	(4,965)	(4,909)
Equity Shareholders Deficit	(366)	(488)	(432)

Cash Flow Statement
For the six months ended 30 June 2010

	Six months ended 30 June 2010 (unaudited) £000	Six months ended 30 June 2009 (unaudited) £000	Year ended 31 December 2009 (audited) £000
Net cash outflow from operating activities (note 4)	(15)	10	144
R&D tax credit	-	-	16
Net cash (used in)/generated from operating activities	(15)	10	160
Cash flows from investing activities			
Purchase of non-current assets	-	(4)	(2)
Purchase of intangible assets	(2)	-	(33)
Net cash utilised by investing activities	(2)	(4)	(35)
Cash (outflow)/inflow before financing	(17)	6	125
Cash flows from financing activities			
Interest paid	(10)	(10)	(19)
Net cash utilised from financing activities	(10)	(10)	(19)
Net decrease in cash and cash equivalents	(27)	(4)	106
Cash and cash equivalents at beginning of period	(441)	(547)	(547)
Cash and cash equivalents at end of period	(468)	(551)	(441)

Notes to the Interim Results

1. Basis of preparation

The interim report and accounts for the six months ended 30 June 2010 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 Interim financial reporting as adopted by the European Union. The interim report and accounts should be read in conjunction with the Group's 2009 Annual Report and Accounts which have been prepared in accordance with IFRSs as adopted by the European Union.

The interim report and accounts have been prepared on the basis of the accounting policies set out in the Group's 2009 Annual Report and Accounts. The interim report and accounts do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim accounts were approved by the Board of Directors on 16 August 2010. The results for the six months to 30 June 2010 and the comparative results for six months to 30 June 2009 are unaudited. The comparative figures for the year ended 31 December 2009 do not constitute the statutory financial statements for that year. Those financial statements have been delivered to the Registrar of Companies and include the auditor's report which was unqualified and did not contain a statement either under Section 237(2) or Section 237(3) of the Companies Act 1985.

Change in revenue recognition policy

There has been a change in the revenue recognition policy in the financial year ended 31 December 2009, and consequently the results of this year have been restated. The board has reviewed the accounting policy specifically with reference to publications, where advertising revenue is generated both via magazine advertising (print media) and online advertising. The past policy was to recognise revenue on the earliest publication date, whether this was online or as published via print media. The new policy is to recognise revenue on the latest publication date, whether this is online or published via print media. The change in policy reflects the uncertainty and subjectivity in dividing advertising income between online and print media. The new policy provides more relevant and reliable financial information.

The impact of the prior year adjustment on the Consolidated Statement of Comprehensive Income has been to increase the revenue and profit reported in the interim statement of 2009 by £48,000. There has been no impact on the tax credit.

Disclosure of impact of new accounting standards

The following standards, amendments and interpretations to published standards were mandatory for the financial year beginning 1 January 2010:

- Revisions to IFRS 3, Business Combinations and IAS 27, Consolidated and Separate Financial Statements issued in January 2008. These include consequential amendments to IAS 28 and IAS 31. Under IFRS 3 (Revised) all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. Also, all acquisition related costs are expensed. The revisions also change the accounting for non-controlling (minority) interests and changes therein. On adopting IFRS 3 (Revised) an immaterial amount of acquisition costs held on the balance sheet relating to acquisition activity were written off. No businesses were purchased during the period ended 30 June 2010.

- Within IFRS Annual Improvements 2009 there was a revision to IFRS 8 which amended the requirement to present total assets and liabilities by segment. Following this amendment segment disclosure of assets and liabilities are only required when they are reviewed in total by the Chief Operating Decision Maker (CODM). Whilst the CODM (the Board) reviews certain asset and liability categories, a review of total assets and liabilities is not performed. Segmental disclosures have therefore been amended accordingly.

- Amendment to IAS 39 Financial Instruments: Recognition and Measurement: Eligible Hedged Items and Amendment to IAS 39 Reclassification of Financial Assets: Effective Date and Transition

- IFRIC 17, Distributions of Non-cash Assets to Owners

- Amendment to IFRIC 9 and IAS 39, Embedded Derivatives

- Amendment to IFRS 2, Group Cash-settled Share-based Payment Transactions

- Revised IFRS 1, First Time Adoption of IFRS and Amendments to IFRS 1, Additional Exemptions for First-time adopters

2. Earnings per share

The basic earnings per share has been calculated by dividing the retained profit for the period of £63,000 (2009 as restated: £88,000 profit) by the weighted average number of ordinary shares of 91,947,934 (2009: 91,947,934) in issue during the period. The diluted earnings per share for 2010 is based on a profit of £63,000 (2009 as restated: £88,000 profit) and by a weighted average number of 91,947,934 ordinary shares (2009: 91,947,934 ordinary shares), 16,943,333 outstanding options (2009: 16,943,333 outstanding options) and 100,213,012 warrants (2009: 100,213,012 outstanding warrants).

3. Dividends

No dividend is proposed for the six months ended 30 June 2010.

4. Cash flows utilised in operating activities for the six months to 30 June 2010

	Six months ended 30 June 2010 (unaudited) £000	As Restated Six months ended 30 June 2009 (unaudited) £000	Year ended 31 December 2009 (audited) £000
Cash inflow from operating activities			
Profit from continuing activities	73	88	144
Adjustments for:			
Equity settled share based payment	3	9	12
Depreciation, amortisation and impairment	11	18	29
Operating cash flow prior to working capital	87	115	185
Decrease/(Increase) in trade and other receivables	(59)	49	24
(Decrease)/Increase in trade and other payables	(43)	(154)	(65)
Cash (used by)/generated from operating activities	(15)	10	144